# **Economic and Investment Plan** for the Western Balkans

The **Economic and Investment** Plan for the Western Balkans (EIP) is the long-term recovery plan of the region. It accelerates the twin green and digital transition, and fosters regional cooperation and convergence with the EU. The EIP identifies 10 investment flagships to support sustainable transport, clean energy, environment and climate, digital future, human capital and private sector.

In the next six years the European Commission will mobilise close to €30 billion, one-third of the current GDP of the Western Balkans. €9 billion will come in the form of EU grants from the Instrument for Pre-accession Assistance (IPA) and this is expected to leverage more than **€20 billion** additional investments through the Western Balkans Guarantee Facility.

The EIP is the main vehicle to implement the Global Gateway in the Western Balkans.

The Western Balkans Investment Framework (WBIF) is the main financial tool to implement the EIP's investment flagships. The EIP is also implemented via IPA bilateral funding to support national high priority projects.

The WBIF was established in 2009 as a joint financial platform of the European Commission, international financial institutions, EU Member States and Norway, and hence fully in line with the Team Europe approach. WBIF aims at enhancing cooperation in public and private sector investment for the socio-economic development of the region, accelerating the European perspective for the Western Balkans.

#TeamEurope

# **Achieved results** 2009 - 2022



843 km of local and regional roads upgraded



11 km of railway lines rehabilitated



Improved water and sanitation services for over 280,000 people



Better schools for 18,500 students/year

## **Expected results** 2023 - 2031



713 MW renewable energy generation capacity installed



185 km of railway lines rehabilitated



Improved water and sanitation services for over 975,000 people



627 schools equipped with smart labs for 198,000 students/vear

### **Public sector**

€355.6m

estimated investment

# €529m

regional guarantee coverage to support infrastructure projects

€1.5bn IPA bilateral funding

## Private sector

stimated financing for SMEs

# €408m

regional guarantee coverage to support access to finance for SMEs



"Connecting people and improving their living standards is at the heart of WBIF investments. While Albania goes through its necessary reform process to prepare for EU membership, the WBIF brings immediate and concrete benefits to people and shows that the EU is here.'

**Ambassador Christine Hohmann** Head of EU Delegation to Albania

## Implementation of the Economic and **Investment Plan for the Western Balkans**

#### Flagship 3

#### Connecting the coastal regions

The Rail Route 2 will be enhanced. Steps will be taken to complete the Blue Highway down to Greece.

## Flagship 4

#### Renewable energy

The Fierza Hydro Power Plant will be rehabilitated and the Vau i Dejës Floating Solar Photovoltaic Power Plant will be built.

## Flagship 5

#### **Transition from coal**

As part of the Trans Adriatic Pipeline, the construction of the Fier - Vora gas pipeline will be completed, and the Ionian Adriatic Pipeline will be prioritised.

#### Flagship 7

## Waste and waste water management

Integrated regional waste management systems will be established, and non-compliant landfills will be closed.

#### Flagship 8 **Digital infrastructure**

#### The roll-out of national broadband infrastructure will continue – with the completion of first projects by 2024,

and schools will be digitalised.

#### Flagship 9

## Competitiveness of the private sector

Increase of grant amount and guarantee capacity for the private sector, and assistance for rural development.

# **WBIF** project examples



Flagship 3 Connecting the coastal regions

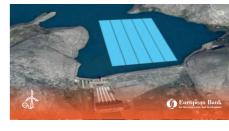
# Albania - Montenegro **Rail Interconnection:** Vorë – Hani i Hotit Section

#### €142.5m

WBIF EU grant

€271.6m estimated investment

Expected completion: 2028



Flagship 4 Renewable energy

# Vau i Dejës Floating **Solar Photovoltaic Power Plant**

#### €2.7m

WBIF Bilateral Donors grant

€12m

estimated investment

Expected completion: 2026



Flagship 8 **Digital infrastructure** 

# **Smart Labs - Network** of ICT Laboratories for the Pre-university **Education System**

## €10.5m

WBIF EU grant

€34m

estimated investment

Expected completion: 2025

# €1 billion Energy Support Package

The package addresses immediate, short- and medium-term needs in the Western Balkans to accelerate decarbonisation, and improve the energy security of the region.

The European Commission will provide up to **€500m** in immediate budget energy prices for small and medium-sized enterprises, keep energy prices affordable for vulnerable households and support policy measures to accelerate the energy transition.

in budget support to Albania

An additional €500m is channelled through the WBIF for the priority infrastructure projects, the Regional Energy Efficiency Programme and guarantees to crowd-in private investments in clean energy.